,	NI	COA	MISS	
DEX	11	A	Si	02
		Maria		
/	A	LAS	KA	

Financial Assistance Award

DENALI COMMISSION 510 L Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414 (phone) (907) 271-1415 (fax) www.denali.gov

Award Number	01172-00		
Award Title	Chevak Wind Completion		
Performance Period	September 1, 2009 through December 31, 2010		

Authority CFDA Number 112 Stat 1854 90.100

Alaska Village Electric Cooperative 4831 Eagle St Anchorage, AK 99503-7431

Recipient Organization & Address

Denali Commission Finance Officer Certification Jennifer Price 09/10/2009

Phone: (907) 565-5358

Recipient DUNS # 044597615 TIN # 920035763

Cost Share Distribution Table

Accounting Code	New Funding		Prior Perio	Total	
Accounting Code	Denali Commission	Other Contributors	Denali Commission	Other Contributors	Total
95670000AL	\$612,292.00		\$0.00		\$612,292.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
AVEC		\$30,756.00		\$0.00	\$30,756.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
Total	\$612,292.00	\$30,756.00	\$0.00	\$0.00	\$643,048.00

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding.

This award of \$612,292 will provide construction completion funding for four (4) new wind turbines in Chevak, Alaska. Alaska Village Electric Cooperative (AVEC) is providing match funding to this award in the amount of \$30,756. The design and initial construction funding was previously provided under project number 29E with \$591,232 from the Denali Commission and \$2,880,746 from other funding sources. The project overage funded by this award was reported to Denali Commissioners at the June 2009 Quarterly meeting.

This project will complete the installation of four new wind turbines along a ridgeline near the community's new landfill. The main objective of the project is to provide generation of electricity from a renewable resource, in an effort to reduce Chevak's dependency on fuel oil as the sole source for electric power generation. The wind generators will augment the prime source generation by the 1797-kW diesel-powered power plant now being installed under another project. The wind turbines are Northwind 100 models manufactured by Northern Power Systems; each has an electric generating capacity of 100 kW, for a total wind farm capacity of 400 kW. The turbines will sit atop tubular steel towers 37 meters high, which are supported by steel beam foundations anchored to driven steel pile foundations.

Signature of Authorized Official - Denali Commission	Typed Name and Title	Date
Electronically Signed	George Cannelos Federal Co-Chair	09/04/2009

Rev: 05/2008

AWARD ATTACHMENTS

Alaska Village Electric Cooperative

01172-00

1. Award Conditions

Award Conditions to the Financial Assistance Award Between the Denali Commission and Alaska Village Electric Cooperative For Chevak Wind Completion Award No. 01172 September 2009

1. Scope of Work

This award of \$612,292 will provide construction completion funding for four (4) new wind turbines in Chevak, Alaska. Alaska Village Electric Cooperative (AVEC) is providing match funding to this award in the amount of \$30,756. The design and initial construction funding was previously provided under project number 29E with \$591,232 from the Denali Commission and \$2,880,746 from other funding sources. The project overage funded by this award was reported to Denali Commissioners at the June 2009 Quarterly meeting.

This project will complete the installation of four new wind turbines along a ridgeline near the community's new landfill. The main objective of the project is to provide generation of electricity from a renewable resource, in an effort to reduce Chevak's dependency on fuel oil as the sole source for electric power generation. The wind generators will augment the prime source generation by the 1797-kW diesel-powered power plant now being installed under another project. The wind turbines are Northwind 100 models manufactured by Northern Power Systems; each has an electric generating capacity of 100 kW, for a total wind farm capacity of 400 kW. The turbines will sit atop tubular steel towers 37 meters high, which are supported by steel beam foundations anchored to driven steel pile foundations. The new wind farm will be connected to the power plant via a new, three-phase primary distribution/transmission line. A fiber optic communication link will provide communication and control of the turbines both at the site and from AVEC headquarters in Anchorage. All of these components are part of this project, except the new power plant. The new power plant includes electronic engine controls and fully automated switchgear that will accommodate a seamless integration of the wind turbines' output into the community's electric power system, leveraging the renewable power source to the fullest extent possible. AVEC is overseeing the construction of this project, and will own and operate the wind farm when completed.

All Commission funding is intended for use for the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission.

2. Milestones

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

	Planned		Actual			
Milestone	Start Date		Start Date			Total Cost At Completion
Construction	09/01/2009	09/30/2010			0	\$0.00
Project Close-out	10/01/2010	12/31/2010			0	\$0.00

3. Award Performance Period

The Award performance period is September 1, 2009 through December 31, 2010 This is the period during which Award recipients can incur obligations or costs against this Award.

4. Direct and Indirect Costs

The cost principles of OMB Circular A-122 are applicable to this Award. Indirect costs are not allowable for financial assistance under this agreement. However, indirect costs may be recognized for purposes of quantifying AVEC's financial contribution. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

5. Budget and Program Revisions

The Administrative Circular, 2 CFR Part 215 (formerly OMB A-110), applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that AVEC will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

6. Payments

Payments under this Award will be made by electronic transfer in response to a "Request for Advance or Reimbursement", Standard Form 270 (SF-270) submitted by AVEC. Requests for reimbursements may be made as needed or at the end of each quarter but should be submitted no later than 30 days after the federal quarter. The SF-270 must be submitted to the Denali Commission via fax, e-mail (finance@denali.gov) or mail in order for payment to be processed. The form is available on the OMB website: http://www.whitehouse.gov/OMB/grants/grants forms.html. Payments shall be made in accordance with 2 CFR Part 215. Please contact the Denali Commission's Finance Specialist at (907) 271-1414 for further information about submitting this form. No interest will be accrued on these funds.

7. Reporting

Two forms of project reporting are required under this Award, listed below. AVEC shall submit reports using the Denali Commission's on-line Project Database System, available

at <u>www.denali.gov</u>. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

- a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is September 1, 2009 to September 30, 2009 and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
 - i. Total project funding, including both Denali Commission funding and other project funding sources.
 - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
 - iii. Updated schedule and milestone information as identified in the Scope of Work
 - iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
 - v. Photographic documentation of project progress shall be provided with the progress reports for active construction projects. The photo documentation shall include a minimum of three, dated photos per reporting period such that a complete record of the construction is maintained over time, from "before," showing the situation before the start of construction, to "during" showing work proceeding on the project, and "after" to show the finished project. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.
- b. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] "Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part [subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs."

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site: http://harvester.census.gov/sac/

8. Project/Award Close-Out

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is

earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission's on-line Project Database System, available at www.denali.gov. The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) "Progress Reports"
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all construction projects, the Award recipient shall display a sign that acknowledges the Government's support for the project(s) developed under this Award. The Commission will provide an appropriate sign. The Award recipient must request an indoor and/or an outdoor sign from the Commission office. Pickup or delivery of the sign can be arranged at that time.

9. Public Policy Laws and Assurances

Award Recipients are required to comply with the public policy laws and assurances on SF 424d. Some of the laws are highlighted below for your reference.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

10. Non-Compliance with Award Conditions

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

11. Program Manager, Financial Manager & Other Contact Information

Denali Commission	Alaska Village Electric Cooperative		
Denali Daniels	Meera Kohler		
Program Manager	Project Manager		
510 L Street, Suite 410	4831 Eagle Street		
Anchorage, AK 99501	Anchorage, AK 99503		
Phone: 907-271-1189	Phone: 907-561-1818		
Fax: 907-271-1415	Fax: 907-562-4086		
E-mail: ddaniels@denali.gov	E-mail: mkohler@avec.org		
Mariah McNair	Meera Kohler		
Grants Administrator	Financial Manager		
510 L Street, Suite 410	4831 Eagle Street		
Anchorage, AK 99501	Anchorage, AK 99503		
Phone: 907-271-2367	Phone: 907-561-1818		
Fax: 907-271-1415	Fax: 907-562-4086		
E-mail: mmcnair@denali.gov	E-mail: <u>mkohler@avec.org</u>		

12. Other Project Specific Paragraphs

The 2008-2009 Denali Commission-AVEC Memorandum of Agreement requires that AVEC participate in Commission committees and workgroups as available, as well as to participate in biannual meetings to share lessons learned and best practices. Another biannual meeting focus is reporting on the measureable improvements brought about as a result of the Commission's Energy Program and development of program evaluation metrics.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.